



# Business Management Modernization Program

## **BMMP Industry Day IV**

**November 17, 2003**



# Purpose/Objective of BMMP Industry Day

## Purpose

- To posture BMMP to benefit from robust follow-on efforts
- To ensure the incorporation and application of leading practices in our transformation efforts

## Objective

- To tell you what we know to date about BMMP
  - The overarching business modernization charted by the SecDef
  - The Architecture and the Transition Plan that implements the Architecture
  - The Program Strategy to execute the implementation of the Architecture
- To solicit industry comments and input about the information presented at the next Industry Day



# Agenda

- Welcome & Introduction 1230
- BMMP Program Overview 1235
- BMMP Program Strategy 1300
- BMMP Program Update 1345
- **BREAK** **1445**
- RFI Walk-through 1500
- Closing Remarks 1630
- **SESSION ADJOURNMENT** **1645**



# Event Feedback Request

- Feedback forms are being distributed and available at the registration table
  - Fill out the form during the event and turn it in when you leave
  - Feedback can also be sent electronically to:  
**[HQ-OSD-BMMP-INDUSTRYDAY@DFAS.mil](mailto:HQ-OSD-BMMP-INDUSTRYDAY@DFAS.mil)**
- At the registration table, we asked about releasing your contact information on the attendee list
  - **ONLY** those who agree to release their information will be provided the attendee contact information following this event via e-mail



# Acronym Warning !

- BEA – Business Enterprise Architecture
- BMMP – Business Management Modernization Program
- BMSI – Business Modernization and Systems Integration
- CDI – Cross Domain Integrator
- FEA – Federal Enterprise Architecture
- GIG – Global Information Grid
- OCI – Organizational Conflict of Interest
- OV – Operational View
- RFI – Request for Information
- SOO – Statement of Objectives
- SV – Systems View
- TP – Transition Plan or Transition Planning
- TV – Technical View

# BMMP Information



<http://www.dod.mil/comptroller/bmmp/>

The screenshot shows the BMMP Home page in a Microsoft Internet Explorer browser window. The browser's address bar displays the URL <http://www.dod.mil/comptroller/bmmp/pages/index.html>. The page features a header with the Department of Defense seal and the title "Department of Defense Business Management Modernization Program" with the tagline "Arming the Warfighter through Business Improvement". Navigation links include Home, Overview, Architecture, Governance, Transition, Domains, Mission, Solution, and Actions. A "QUICK LINKS" section on the left lists "Hot Topics" and "Architecture Products" with sub-links for All Views (AV), Operational View (OV), System View (SV), and Technical View (TV). A central quote from Secretary of Defense Donald Rumsfeld is displayed next to his photo. Below the quote, a paragraph describes the U.S. Military's transformation and the establishment of the BMMP. A "RECENT ACHIEVEMENTS" section on the right lists the DoD Response to Public Law 107-314 and the Financial Management Modernization Program (FMMP) renamed to Business Management Modernization Program (BMMP). The browser's taskbar at the bottom shows various open applications and the system clock at 2:54 PM.

BMMP Home - Microsoft Internet Explorer provided by OUSD(C)

File Edit View Favorites Tools Help

Back Forward Stop Search Favorites Media Print

Address <http://www.dod.mil/comptroller/bmmp/pages/index.html> Go Links

Department of Defense  
Business Management Modernization Program  
*Arming the Warfighter through Business Improvement*

Newsroom | Contact Us | Site Map | FAQs

Home Overview Architecture Governance Transition Domains  
Mission Solution Actions

SEARCH  Go

LATEST

Contact BMMP  
Have questions or feedback regarding the Business Management Modernization Program or this site? Contact a BMMP program representative...

Newsroom

RECENT ACHIEVEMENTS

DoD Response to Public Law 107-314 submitted to Congress.  
(Download 35MB .zip file)

Financial Management Modernization Program (FMMP) renamed to Business Management Modernization Program (BMMP).  
[View memo](#)

QUICK LINKS

Hot Topics >

Architecture Products

All Views (AV) >

Operational View (OV) >

System View (SV) >

Technical View (TV) >

Supplemental Materials >

Domain Area >

"And we must transform not only our armed forces, but also the Department that serves them by encouraging a culture of creativity and intelligent risk taking."

Secretary of Defense  
Donald Rumsfeld

The U.S. Military is in a state of transformation, creating the force that is "dominant across the full spectrum of military operations - persuasive in peace, decisive in war, preeminent in any form of conflict."<sup>1</sup> Clearly, national security is reliant on innovation in core combat-related areas. Less obvious and equally as challenging is the importance of innovation in mission essential, non-combat related areas that provide the foundation for military readiness. The Business Management Modernization Program (BMMP) was established to address that challenge.

BMMP is not about "fixing" DoD. It is about capitalizing on the Department's strengths and infusing leading practices into its business management operations. Many current business processes and systems do not adequately support management decision-making, and DoD managers often have to create

**Arming the Warfighter Through Business Improvement**





# Business Management Modernization Program

## **BMMP Program Overview**

**November 17, 2003**



# Background

- Friedman Report
  - “Transforming Department of Defense Financial Management”
    - Lack of Overarching Approach to Financial Management
    - Overly Complex Data Requirements
    - Convoluted Business Processes
    - Inability to Produce Reliable Annual Financial Statements
- As a result DoD established the Business Management Modernization Program (*formerly known as the Financial Management Modernization Program – FMMP*)





# What BMMP has done...

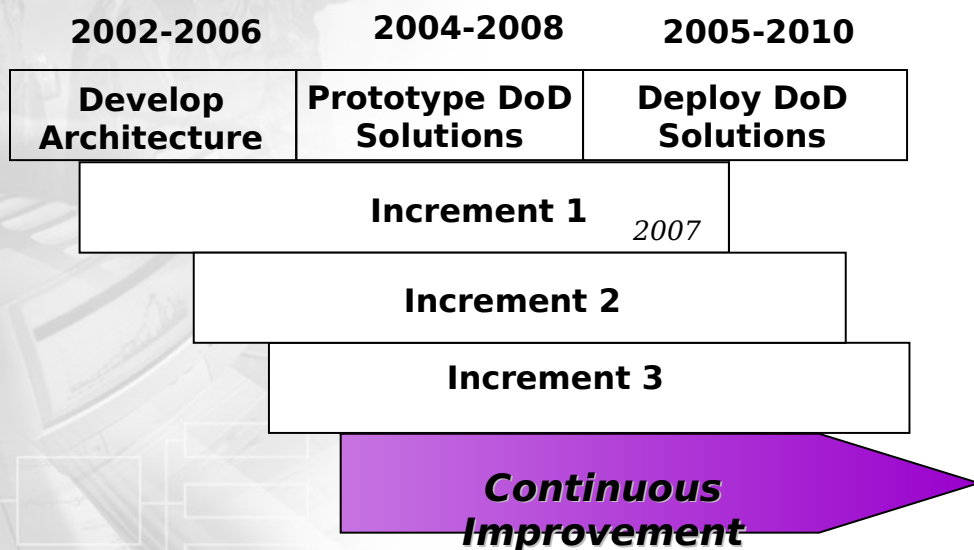
- Developed a DoD Business Enterprise Architecture
  - Enables right information at the right level at the right time
- Started business process modeling
- Implemented a governance structure
  - Seven Domains (Accounting & Finance, Acquisition, Human Resources Management, Installations & Environment, Logistics, Strategic Planning & Budget, Technology Infrastructure)
  - Steering Committee
  - Executive Committee
- Inventory of business systems
  - 2,274 systems in inventory
  - Assigned to Domains for Portfolio Management



# What BMMP is doing...Where it is headed

***Incremental approach with emphasis on continuous improvement***

## Increment Focus



**Increment 1** Unqualified Opinion – FY07 Financial Statements (*Resolve Material Weaknesses*)

- Unqualified Audit Opinion
- Plan, Procure & Pay
- Asset Accountability
- Enterprise Data & Reporting
- Other Acquisition, Human Resources Management, Logistics, Strategic Planning & Budgeting, and IT Improvements

**Increment 2** (Proposed)

- Integrated Planning, Programming, Budgeting & Execution
- Integrated Life-Cycle Materiel Management

**Increment 3** (Proposed)

- Combined Human Resources Management
- Integrated Performance Management Reporting

***Arming the Warfighter Through Business Improvement***



# BMMP Transformation Measurements

## **GOAL 1. Provide timely, accurate, reliable information for Business Management**

### ***- Examples of measurements:***

- **Percent of identified material weaknesses eliminated**
- **Percent of military assets accurately valued**

## **GOAL 2. Enable improved Business Operations**

### ***- Examples of measurements:***

- **Percent of process established for measuring Business Enterprise Architecture (BEA)**
- **Percent of process reengineering to align with BEA**
- **Reduce cost of operations**



# For the first time in DoD...

- We have started an end-to-end review and documentation of business processes
  - Common business rules
  - Enterprise information requirements
- We have engaged the Domain Owners to manage integrated business process reengineering
- We are starting to manage the Department's Information Technology Portfolio based on business needs



# Business Management Modernization Program

## **BMMP Program Strategy**

**November 17, 2003**



# BMMP Goals and Objectives

## GOAL 1: Provide timely, accurate, reliable information for

### Business Management

- OBJECTIVE 1.1** Achieve unqualified audit opinion on 2007 consolidated DoD financial statements
- OBJECTIVE 1.2** By 2007, achieve total visibility and accurate valuation of assets to include Operating, Materials and Supplies (OM&S); Inventory; and Property, Plant and Equipment (PP&E) (see Note 1)
- OBJECTIVE 1.3** By 2007, achieve total personnel visibility to include: military service members, civilian employees, military retirees, and other U.S. personnel in a theater of operations (including contractors and other federal employees)
- OBJECTIVE 1.4** Provide DoD decisionmakers timely access to business information

## GOAL 2: Enable improved Business Operations

- OBJECTIVE 2.1** Adopt the Business Enterprise Architecture (BEA) for acquiring, managing, and providing material and personnel in support of the Warfighter

Note 1: PP&E includes real property; military equipment; internal use software; personal property, and property in possession of contractors



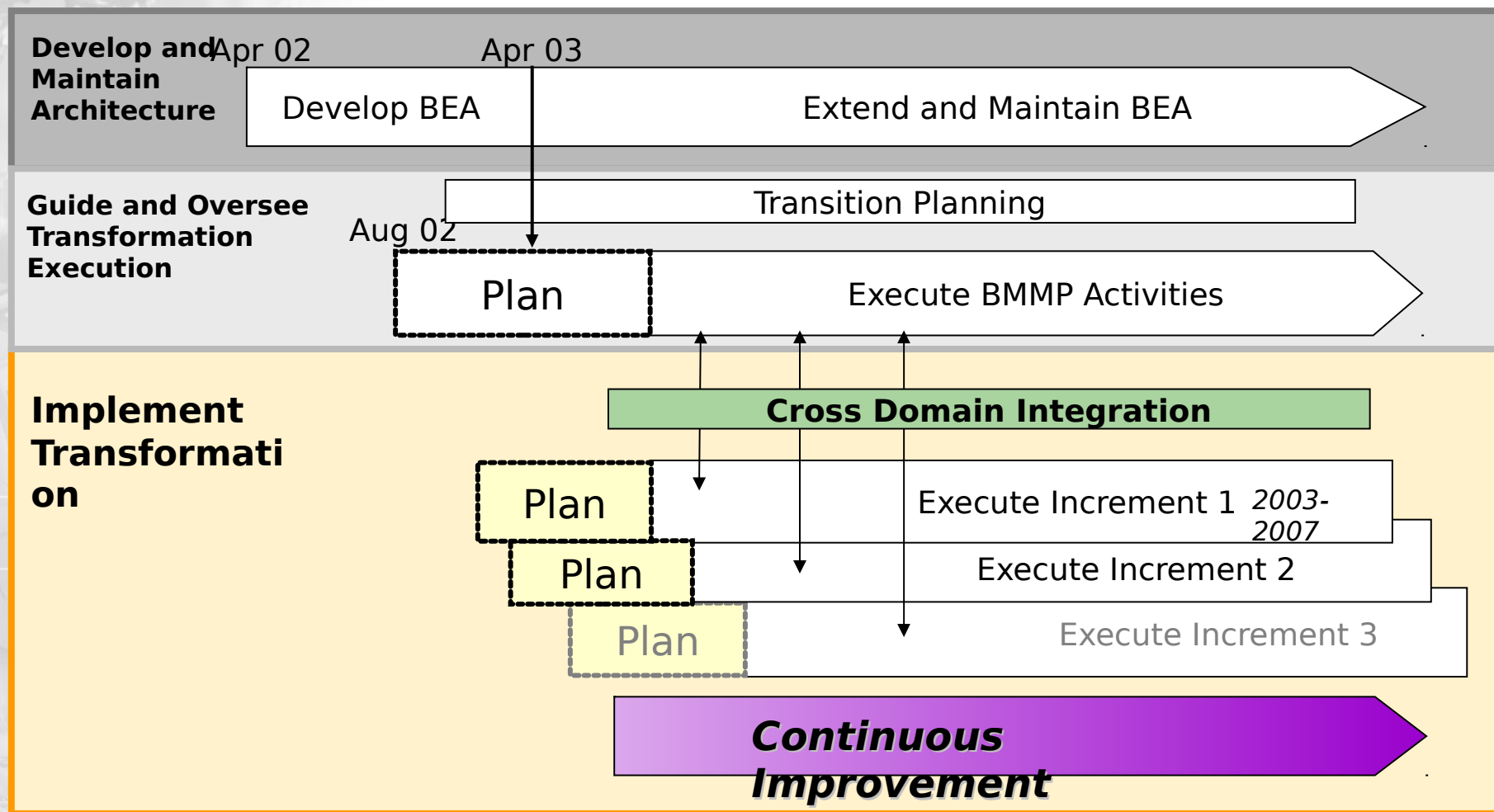


# BMMP Program Strategy

- Establish governance framework to ensure BMMP Enterprise Progress
  - Establish a set of capstone processes and documents
- Establish program milestones for programs within increments using CJCSI 3170.01C and DoD 5000.2 as guides
  - Review and approval at appropriate level for each program
- Increment and program progress will be periodically reviewed by CFO/CIO and appropriate Domains

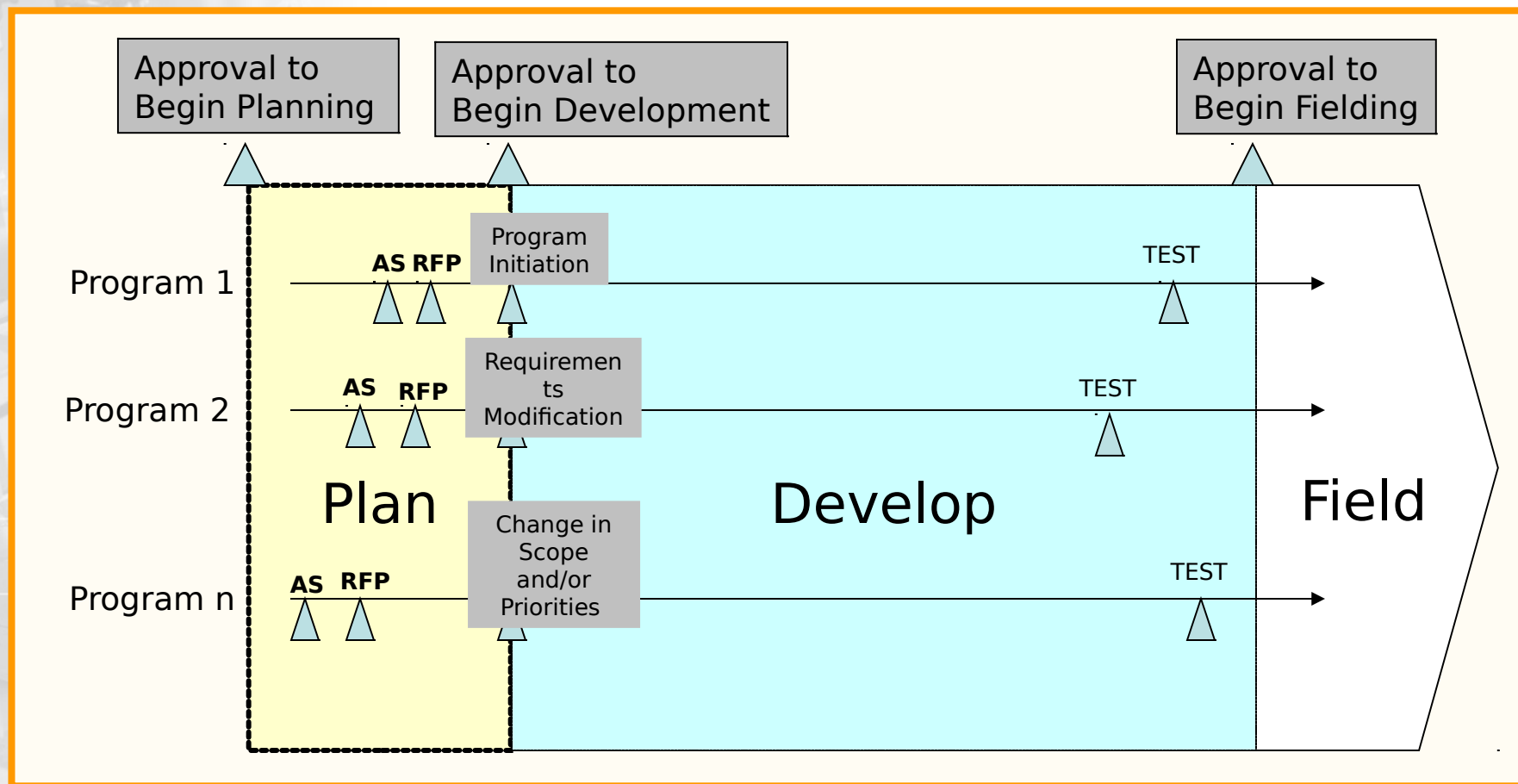


# BMMP Strategy Overview





# BMMP Increment Execution



AS = Acquisition Strategy  
RFP = Request for Proposal



# Sample Increment 1 Activities

- Develop end-to-end business rules that incorporate accounting and internal control requirements
- Implement Standard Accounting Classification Structure (SACS)
- Implement U.S. Standard General Ledger (USSGL)
- Implement a consistent cost methodology
- Develop automated interfaces from source feeder systems to accounting systems
- Develop a data structure to trace accounting events from acquisition to reporting



# Business Management Modernization Program

## **BMMP Program Update**

**November 17, 2003**



# Business Transformation Enablers

- Business Enterprise Architecture
  - Develop version 1 of architecture -- April 2003
  - Incrementally model business processes -- September 2003
    - 15 Macro processes
    - 80 Sub processes
  - Refine and mature—April 2004 (Increment one)
- Governance
  - Domain Owner Integration Team
  - BMM Steering Committee
  - BMM Executive Committee
  - CIO Advisory Council
  - Configuration Control Board
  - Architecture Review Board
  - Portfolio Management



# Architectural Views



*End-to-End*

**ENTERPRISE VIEW**

**BUSINESS VIEWS**

**DESIGN VIEWS**

**DEVELOPER'S VIEWS**

**IMPLEMENTING VIEWS**

**Increasing  
Detail**



# Key BMMP Products

## DoD BEA Version 1

AV-1	Scope and purpose
AV-2	Definitions
OV-3	Information exchange matrix
OV-5	Activity model
OV-6A	Business rules
OV-6C	Process models
OV-7	Logical data model
TV-1	Technical standards

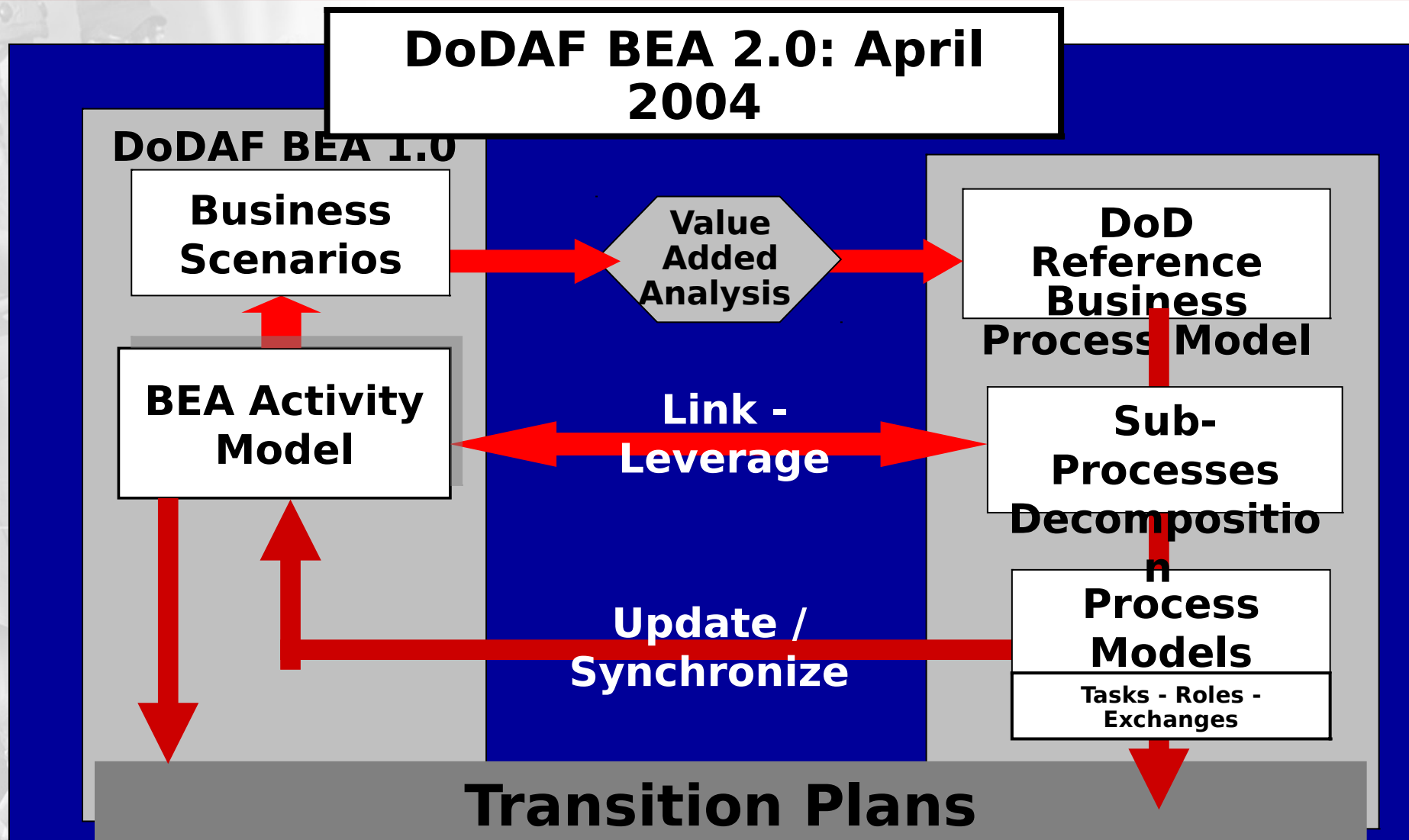
- Transition Plan
- Baseline Requirements
- Change Management & Communications Plan
- Assessment Criteria
- End-to-End Business Scenarios

## DoD BEA Version 2

- Refine & Improve
- Add OV-6C - end-to-end processes & sub processes



# Extending BEA Version 1

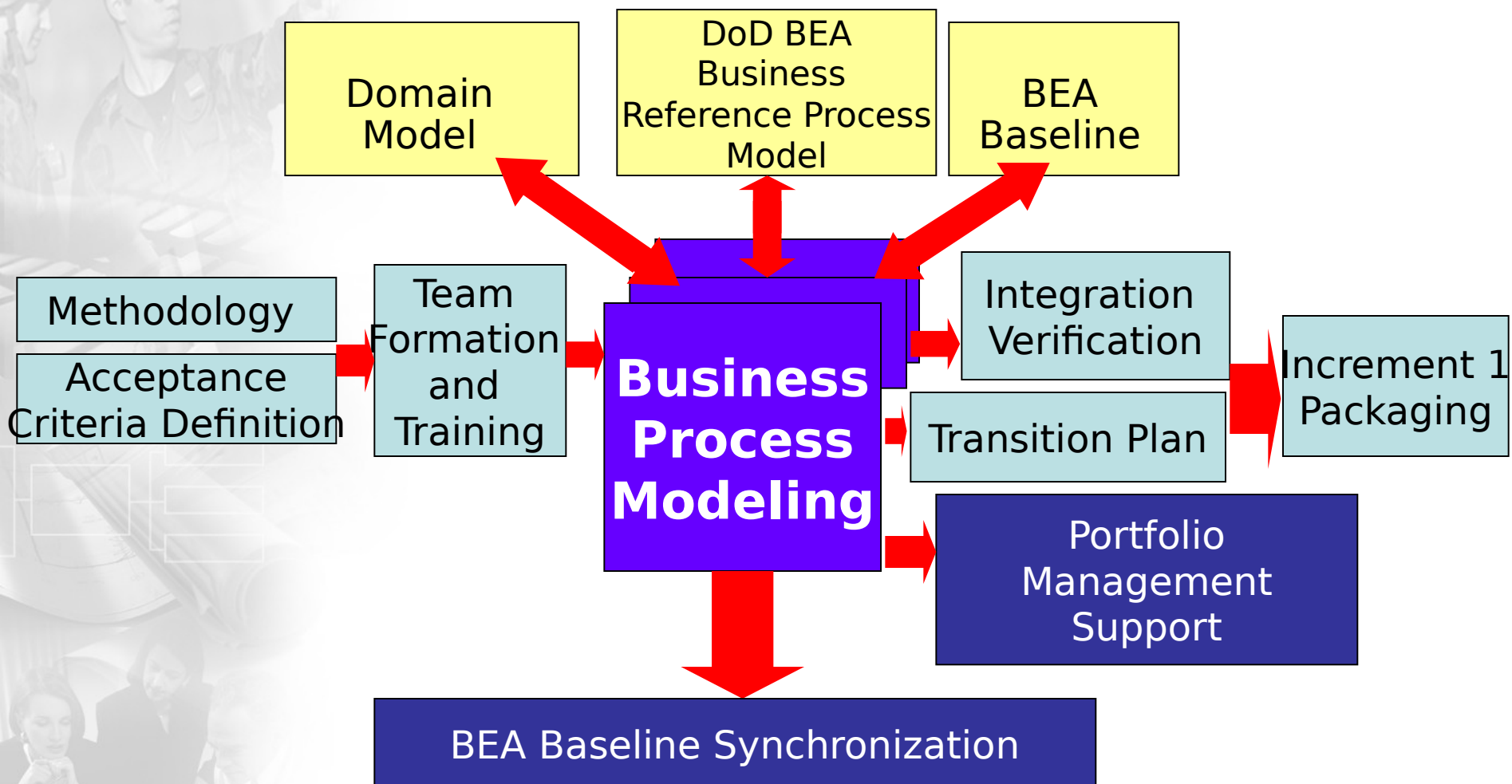




# End-to-End Process Modeling

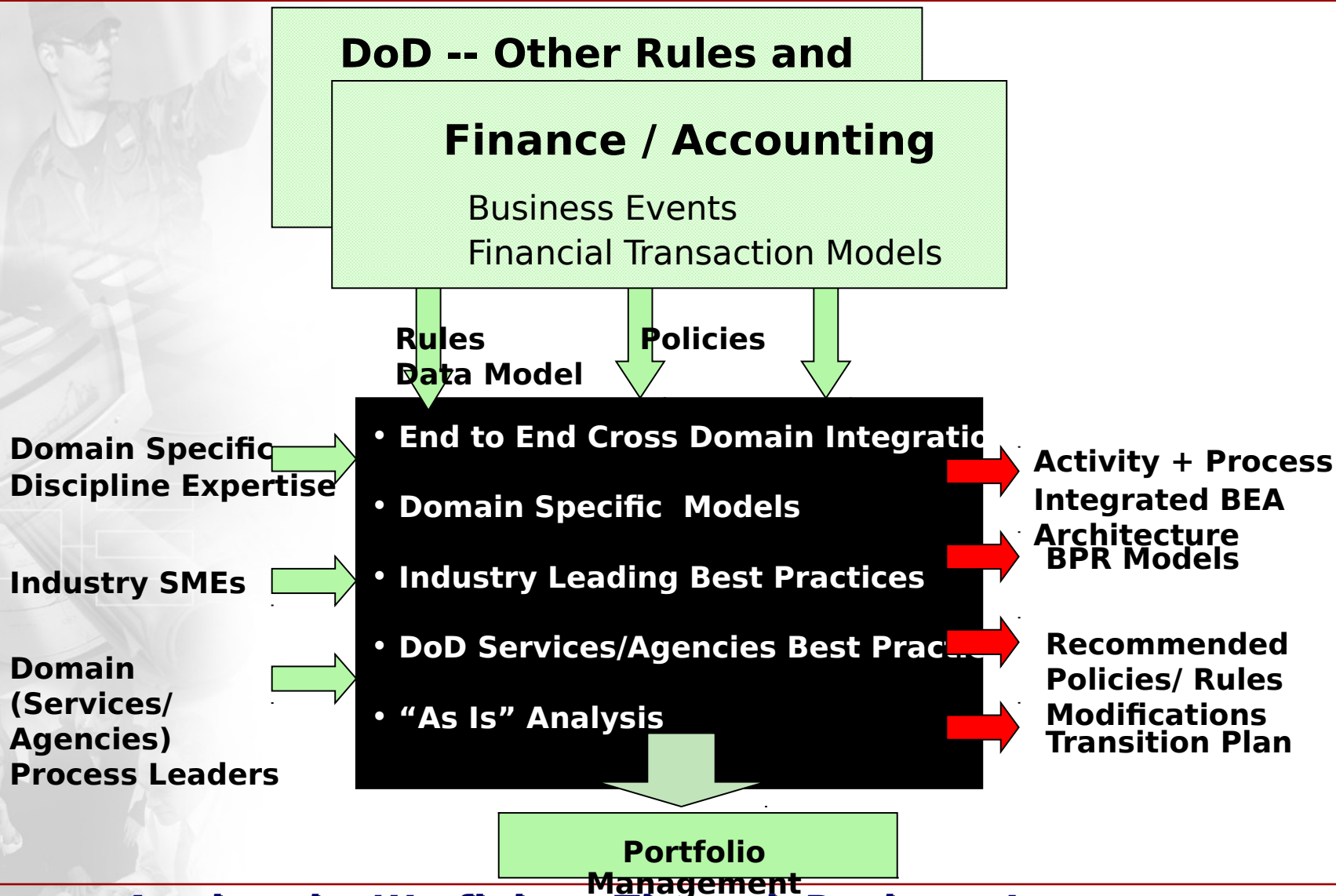
- Plan through Fulfillment for Materiel – Spares and Consumables
- Plan through Fulfillment of Personal Property to include Weapon Systems
- Plan through Fulfillment of Other Services
- Plan through Fulfillment of Real Property
- Finance Operations Execution
- Enterprise Reporting (Financial Statements)

# Business Process Modeling





# High Level View of Methodology



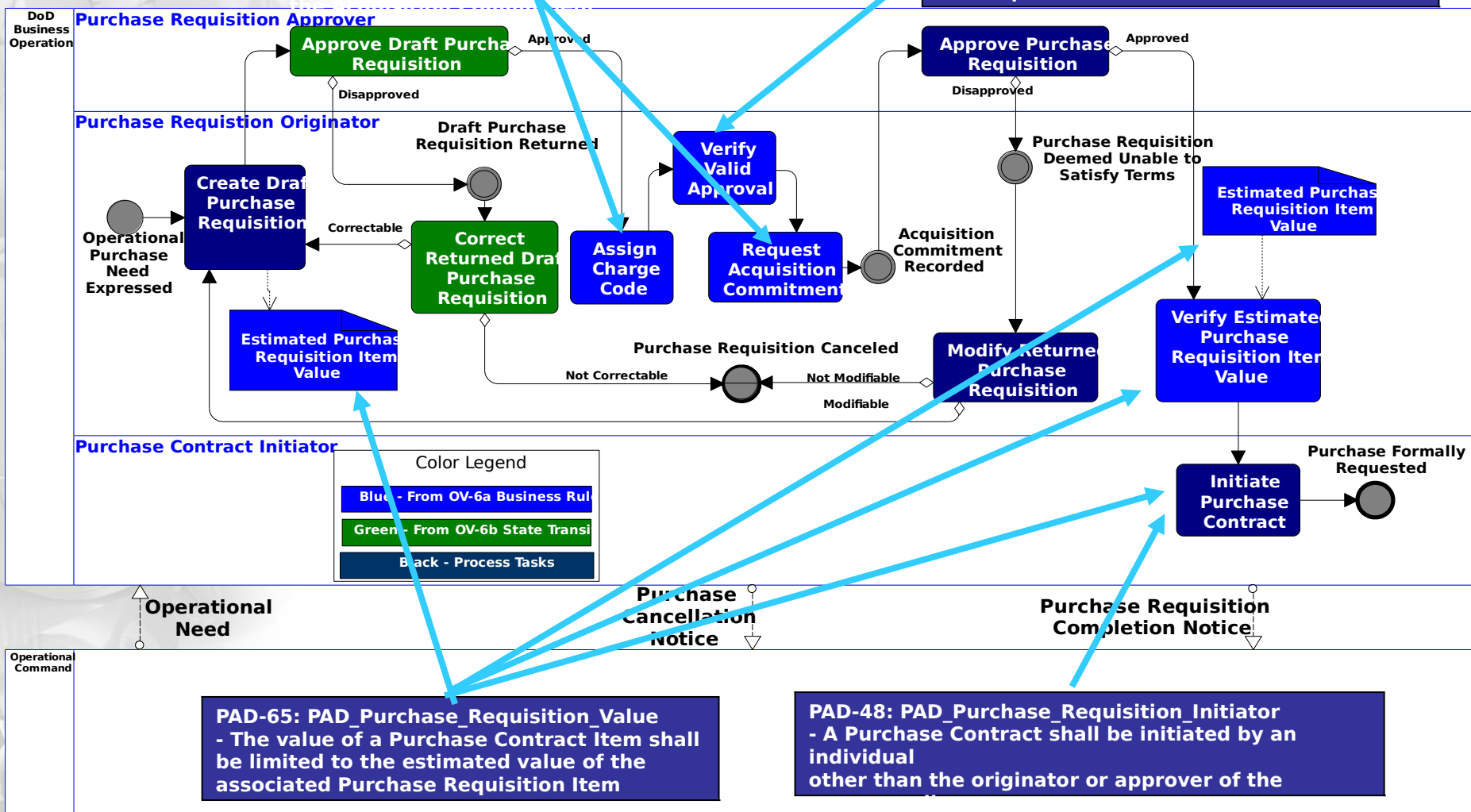




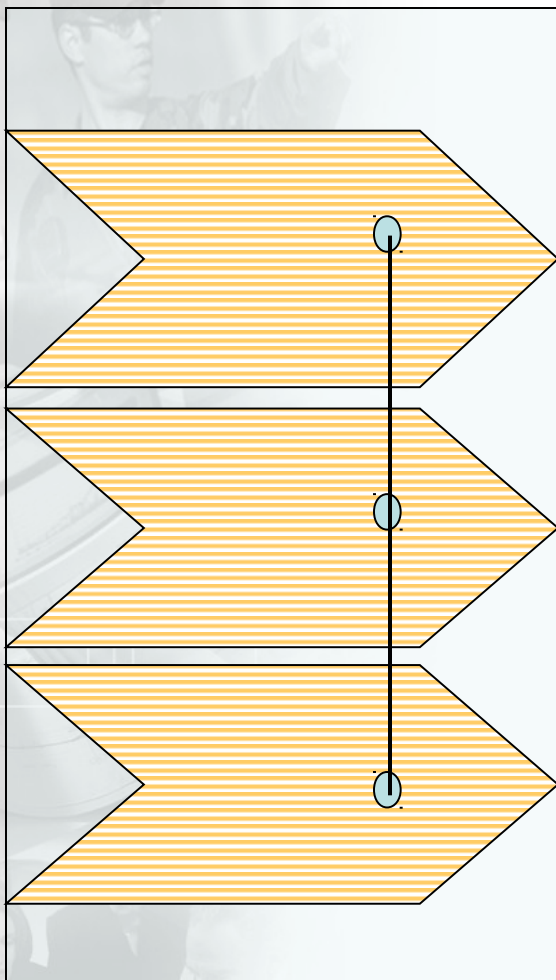
# Detailed View

**PAD-49: PAD\_Purchase\_Requisition\_Validation**  
- A Draft Purchase Requisition shall have a validated charge code prior to requesting

**PAD-50: PAD\_Purchase\_Requisition\_Approval**  
- A Draft Purchase Requisition shall have proof of a valid approval prior to requesting the Acquisition Commitment



# DoD BPM Integration



## *Integration Points*

- 1. DoD Business Process Reference Model**
- 2. Common Enterprise Data Model (OV-7)**
- 3. Common Process Notation (OV-6C, OV-6B)**
- 4. Common AV-2 Dictionary including Naming Standards for Process Elements (Events, Tasks, Roles)**
- 5. Re-Usability of Processes and Tasks (AV-2)**
- 6. Strict adherence to financial and enterprise rules and policies (OV-6A) and Data Model (OV-7)**
- 7. Configuration Control Board to validate compliance**



# Business Management Modernization Program

## RFI Walk-through

**November 17, 2003**



# Cross Domain Integration

- RFI issued to elicit industry feedback and ideas
  - Communicate BMMP interest in determining a cross Domain integration approach
  - Determine industry interest in a pre-proposal planning activity
  - Interested parties to submit white paper describing capabilities and approach (brief overview)
- Key Issues
  - Role of Cross Domain Integrator (CDI)
  - Organizational Conflict of Interest (OCI)



# Role of Cross-Domain Integrator

- Assist DoD to achieve an integrated business management model
  - Reliable and timely management information to support business decisions
- Integration role across the Domains
  - Facilitate an interoperable business environment leveraging common data, common business processes, and systems
- Assist the Domains in evaluating specific BMMP solutions
  - “Honest broker” for technical analysis as requested by Domains
- Maintain and Extend BEA
  - Use BEA-defined Processes, Sub processes, Information Exchange Requirements, Business Rules, Triggers, and Data Models for each Domain as a basis for continued development and maintenance of the BEA



# Potential OCI Issues

- BMMP Implementations
  - Contracts for specific BMMP implementations will be awarded by stakeholders within the respective Domains
- The CDI in executing its responsibilities may gain an unfair competitive advantage
  - Providing “systems engineering and technical direction”
  - Preparing specifications or work statements
  - Providing technical evaluation services and evolutionary extensions of the BEA
  - Obtaining access to proprietary or source selection information
- Appropriate stringent restrictions must be imposed on the CDI contractor to mitigate real and perceived OCI





# OCI Requirements

- Addressed in FAR Subpart 9.5, Information Confidentiality...
- Treat as confidential - business, technical, financial information belonging to the government or other companies
- Obtain written agreement of each employee given access to such information
- Provide reports itemizing information received
- Sign agreements restricting use and disclosure of the data or the information obtained from specific facilities
- Flow these requirements to subcontracts and teaming agreements



# Examples of OCI Awareness

- Visible corporate policy addressing disclosure of real or potential conflict
- Process in place for vetting potential conflicts of interest
- Physical separation of employees and data related to sensitive projects
- Mitigation strategy for follow-on work where management support has been provided
- Barriers in place to prevent personal financial gain from projects



# Industry Feedback & White Paper

- Interested parties are invited to submit a White Paper (25 pages or less, not including contact information)
  - Demonstrate understanding of and approach to meeting the CDI requirements in the SOO
  - Suggest strategies for identification and mitigation of potential OCI
- Linkage to the development of the CDI RFP(s)
  - RFI discussions may be held by the Government during the development of the CDI RFP
  - Submission of White Paper and RFI discussions are not required for and do not preclude participants from responding to the CDI RFP
  - White Papers will be treated as procurement sensitive information
  - Participating in this CDI RFI is at NO cost to the Government
- Additional information is posted on FedBizOpps website



# Business Management Modernization Program

## **Closing Remarks**

**November 17, 2003**



# Next BMMP Industry Day

- BMMP Industry Day V
  - When: TBD – March/April 2004
  - Where: TBD – Crystal City, VA
  - What: Potential discussion topics
    - BMMP Program Status Update
    - BMMP Program Strategy Update
- Information will be published in FedBizOpps



# Your Input

- Fill out/turn in “Conference Evaluation” form to help us plan the next Industry Day
- Submit feedback via e-mail to:  
[HQ-OSD-BMMP-INDUSTRYDAY@DFAS.mil](mailto:HQ-OSD-BMMP-INDUSTRYDAY@DFAS.mil)

***Thanks for your participation today!***



# BMMP Information



<http://www.dod.mil/comptroller/bmmp/>

The screenshot shows the BMMP Home page in a Microsoft Internet Explorer browser window. The browser's address bar displays the URL <http://www.dod.mil/comptroller/bmmp/pages/index.html>. The page features the Department of Defense logo and the title "Department of Defense Business Management Modernization Program" with the tagline "Arming the Warfighter through Business Improvement". Navigation links include Home, Overview, Architecture, Governance, Transition, Domains, Mission, Solution, and Actions. A "QUICK LINKS" section on the left lists "Hot Topics" and "Architecture Products" with sub-links for All Views (AV), Operational View (OV), System View (SV), and Technical View (TV). A quote from Secretary of Defense Donald Rumsfeld is displayed next to his photo: "And we must transform not only our armed forces, but also the Department that serves them by encouraging a culture of creativity and intelligent risk taking." Below this, a paragraph states: "The U.S. Military is in a state of transformation, creating the force that is 'dominant across the full spectrum of military operations - persuasive in peace, decisive in war, preeminent in any form of conflict.'<sup>1</sup> Clearly, national security is reliant on innovation in core combat-related areas. Less obvious and equally as challenging is the importance of innovation in mission essential, non-combat related areas that provide the foundation for military readiness. The Business Management Modernization Program (BMMP) was established to address that challenge." Further down, it says: "BMMP is not about 'fixing' DoD. It is about capitalizing on the Department's strengths and infusing leading practices into its business management operations. Many current business processes and systems do not adequately support management decision-making, and DoD managers often have to create...". On the right, there is a "SEARCH" box, a "LATEST" section with "Contact BMMP" information, and a "RECENT ACHIEVEMENTS" section listing "DoD Response to Public Law 107-314 submitted to Congress" and "Financial Management Modernization Program (FMMP) renamed to Business Management Modernization Program (BMMP)". The browser's taskbar at the bottom shows various open applications and the system clock at 2:54 PM.

**Arming the Warfighter Through Business Improvement**